

ABSTRACT

An auction system is disclosed which allows users to participate using their own, or the exchanges, or a brokers, computers, suitably connected to the auction system. This connection may use the internet or a private leased line or an alternative network. The invention involves a method and system for providing auction mechanisms, including a wide variety of types of auctions as described below, and a central counterparty for assuming credit risk between borrowers and lenders, if the borrowers and lenders chose not to transact with each other. This method and auction system provides a means for borrowers and lenders of securities to meet more efficiently, to trade at a better price, to trade in larger size, to trade more rapidly,